

BINGO OPERATION COMMENTS

THANK YOU, EXPLAIN LUNCH, INTRODUCE SPEAKERS

Over the past nearly two years, this development where we stand has been working hard to create jobs, develop tourism, and provide much needed revenue to charities and state and local governments. I am proud to have been a part of what is going to be one of the greatest things to ever happen to our community and I appreciate the efforts and commitment of the members of the Houston County Commission who are here today along with other elected officials who have supported this project. We have worked hard to make Country Crossing a reality for the benefit of the citizens we serve and we thank you for your support along the way.

Unfortunately, some elected officials have not shared our vision and have done nothing but create delays, cause downsizing of the first phase, and exhaust thousands of tax dollars on personnel, court proceedings and misuse of law enforcement on what we believe to be a witch hunt trying to keep this project from becoming a reality. You see behind me, in spite of those efforts, Country Crossing is a reality and is going to legally open in December.

We have not been very vocal about the efforts to shut the project down because we have believed as we do now that everything here will be legal. But this week steps were taken that I believe were a direct attack on the citizens of Houston County.

On Tuesday of this week, the Deputy Legal Advisor to Governor Riley, Sonny Reagan, personally contacted the Nevada Gaming Commission warning them that, based on this weeks opinion in Walker County, electronic bingo machines in Alabama are illegal. He also reportedly stated that there were machines headed to Country Crossing in Houston County Alabama and that if they were shipped, they would be confiscated and parties would be arrested. Governor Riley was in town three weeks ago and stated to rousing applause at the Dothan Rotary Club that he supported Country Crossing and that he had not mentioned Country Crossing in the efforts of his so called task force. Obviously, this week those feelings changed and his office not only mentioned Country Crossing but secretly and maliciously made statements that we believe not to be factual related to regulating bingo in Houston County.

Our legal advice and that of most is that the Walker County opinion has no application in Houston County. We have said all along that we are going to be legal and make sure bingo is played on legal bingo equipment. Based on legal research and opinions, the Houston County Commission is the governing body for bingo in Houston County, not the Governor's office. How does the Governor's staff even know what kind of equipment will be coming to Houston County? We don't have any bingo machines in this county yet so how can they tell the Nevada Gaming Commission that the machines that we don't have yet are illegal? We will not allow any

illegal machines to operate in Houston County and we agree that illegal operations around the state need to be shut down.

In response to the call from the Governor's office, County Attorney Sherrer and I sent a letter to the manufactures of bingo equipment and copied the Nevada Commission. They met Wednesday night, reviewed the information we sent them and the comments of the Governors office and determined that in fact, we were correct and it was fine for the equipment to be shipped. They also were going to call the Governor's office and inform them that they appreciated the concern but they disagreed with the Governor's position.

The Houston County Commission did not take the legality of this project lightly. The citizens of this state approved bingo in Houston County in a statewide vote in 1994. We obtained multiple legal opinions related to our jurisdiction and regulatory authority and power over charitable bingo games in Houston County based on that amendment. In addition, the Sheriff and a Legislative Representative requested separate Attorney General's opinions related to the permitting and operation of bingo games in Houston County. All responses were that the planned project and the bingo games associated with it were legal and that the Rules and Regulations established by this Commission were proper. The Attorney General also stated publicly right here in Dothan that we were legal and the AG is the highest law enforcement official in the State, not the Governor.

The Houston County Commission has authority to regulate electronic bingo games in Houston County and we believe that the Governor's office has no constitutional authority to regulate bingo games in Houston County, Alabama. We view the communication from the Governor's staff as an improper interference in the economic development efforts and activities of the Houston County Commission.

The machines that will be used at Country Crossing will be fully compliant with Amendment 569 of the Constitution, the code of Alabama and the Rules and Regulations established by the Houston County Commission.

Unfortunately, we have had to spend much of our time defending our constitutional obligation to govern bingo in Houston County and that has taken the focus off of the support this project has and the important things related to this project, many of which are the men and women you see standing before you.

Support: Workers, County Commission, City leaders, Dothan Area Chamber, Dothan Area Convention and Visitors Bureau, most importantly the citizens of Houston County Alabama.

There are nearly 600 workers out here making a living at a time when Alabama has the tenth highest unemployment rate in the country, the highest rate in over 24 years and the highest in many of these young men

and women's lifetime. There are thousands of people applying for jobs here at a time when Alabama has the third highest unemployment growth rate in the country. Over the last year, 97,000 jobs have been lost in Alabama in manufacturing and teaching and other areas hit hard by the economy. Do you think those people care about bingo? Do you think they would love to have one of the thousands of jobs this project will create? Do you think these people who stand before you, who are working hard to feed their family and give their children the quality of life we all want, do you think they care if this project is successful? I guarantee they do and they are residents of Alabama that I serve, that the legislature serves and that the Governor's office serves. Perhaps the state should focus more on providing these people jobs than trying to stop a project the citizens of this county want. Perhaps we should take steps to tax and regulate this industry instead of creating a monopoly for the Indians if electronic bingo is deemed illegal every where else in the state.

There are charities in our community that are struggling to raise funds to provide the services and quality of life we want in Houston County and Senior programs who can't meet the growing demands of an aging population. Do you think they will appreciate the millions of dollars in charitable funds that will be available to them to continue to operate and provide meals and help those in our community? If the Governor's office were to be successful in shutting down Country Crossing, which he will not, do you think the state will come to the rescue of these charities and senior citizens who are struggling to survive?

And how about all the teachers and aids and support personnel who have lost their jobs due to proration because the State doesn't have enough money. This is the largest, private economic development project in the state right now. How much do you think the coffers of the state, not to mention the county and surrounding cities, will benefit from the tax revenue generated here? Tax revenue generated by millions of tourist who will come and hear Kellie Pickler, George Jones, Daryl Worley, Taylor Swift and on and on. Possibly enough to put teachers back to work, to fund commitments to industrial projects that are unfulfilled, or to make sure your tax refund gets to you in time.

And lastly, as I stated, what about taxing the proceeds to generate the money the state needs for education or to prop up the PACT program. It is obvious to most of us that there is an opportunity to tax an untaxed industry that currently exists in this state, to regulate the industry that is regulated in multiple ways in multiple counties, and to make sure that illegal operations like those recently closed in other counties don't exist. All we need to do is have a statewide vote and we can end all this foolish waste of limited resources in court battles. Is it not better to let the people of the state decide this issue than to ask courts all over the state to create conflicting rulings or ask the Supreme Court, a judicial branch, to become activist in the legislative arena. Our legislature needs to allow this issue to be put to a vote. It was good enough for a \$1.3 billion tax package a few years ago. Is a vote of the good people of Alabama not good enough to

end the thousands of dollars being wasted on lawyers, law enforcement and courts in our state pursuing the end of an industry that has been in Alabama for many years?

Don't get me wrong. We appreciate Governor Riley working with us on projects in the past and we expect him to work with us in the future. This is not about the individual. But it is about a significant difference of opinion on this issue. We believe we are on the right side of the issue, the right side of the law and we know we are on the side of the people of Houston County. As you can see, Country Crossing is a reality, it is legal, it will have charitable bingo, it will employ thousands and generate millions and it will open in just a few weeks.

As I stated, community support for this project is beyond belief. These gentlemen are here today representing the community and want to make a few comments about the project.

First Mike Schmidt, mayor of Dothan

Followed by Matt Parker, Bob Hendrix, and Steve Shaw.

QUESTIONS